

the Westerner

Omaha Works
February, 1982



Employees give views
on settlement.

for your information

February isn't just the month for Valentines, presidents' birthdays and Engineers Week. February also is designated Black History Month.

The observance is an opportunity to acknowledge black Americans and their many valuable contributions to society. Among them is Martin Luther King Jr., whose leadership in non-violent protests spurred action to reduce social injustice and restore civil rights for all oppressed people.

Also among them is Dr. Charles Drew, whose medical experimentation developed the method whereby plasma is separated from blood cells. His technique allows for immediate injection of

plasma regardless of blood type, and has saved countless lives in emergencies.

The Omaha Works joins in the national observance of Black History Month and salutes the black Americans who have helped make life better in so many ways . . .

. . . The news about the proposed modification of the 1956 Consent Decree and its resulting divestiture of the operating phone companies has raised the question in some minds about the future of Pioneer chapters across the country.

The answer is that the function of Pioneering will continue to be the "glue" that holds telephone industry people together. That function will become increasingly more important after the Bell System is restructured to reflect the terms of the modified Consent Decree.

Western Electric president Donald E. Procknow has described the Pioneers as a group that "fosters team spirit and is a strong influence in building and sustaining the traditions of fellowship, loyalty and service. Through its many service

projects, Pioneering helps the company meet its responsibilities to the community."

He reaffirmed Western's commitment to provide financial assistance and management support to further the work of the Pioneers . . .

This is just a reminder (you probably would prefer not to read now that the income tax filing deadline is drawing near): Effective January 1, 1982, the Social Security tax percentage on wages is 6.7 percent, compared to 6.65 percent in 1981. Wages up to \$32,400 are subject to this tax, making \$2,170.80 the maximum amount of Social Security taxes any one employee must pay. In 1981 the taxable wage base ceiling was \$29,700, with maximum taxes amounting to \$1,975.05 per employee.

BSSP/SSP results

The following are the December unit values for both the Bell System Savings Plan (BSSP) and the Savings and Security Plan (SSP) for non-salaried employees:

	BSSP	
	Units Value	Units Credited Per Dollar
AT&T	2.7243	.3670
Government Obligations	2.5379	.3940
Equity Portfolio	1.8611	.5373
Guaranteed Interest Fund	1.2276	.8145
SSP		
	Units Value	Units Credited Per Dollar
AT&T	1.2723	.7859
Guaranteed Interest Fund	1.3219	.7564



NO FOOLIN' . . . The oversized lemon grown by Dorothy Dennis dwarfs an orange held next to it.

Has Nader seen this yet?

This is probably the last place you would expect to read about a lemon in the shop.

But there it was — big as a grapefruit and home-grown by Dorothy Dennis, a molding press operator in Dept. 437.

Dorothy grew the incredible 1½-pound lemon on her four-foot tall lemon tree indoors. The 8-year-old tree has produced several lemons in past years, but never anything like this latest specimen. The oblong fruit measured 14½ inches in circumference.

Dorothy has no idea what caused the plant to bear the large fruit. "I just feed

it plant food," she said, and she sets it outside in the summer.

This year her lemon tree had more than 100 blooms but only one lemon. She speculates that the little tree put everything it had into the lone lemon. The branch that bore the fruit had to be propped up by a stake.

To prove to her co-workers she wasn't making up a story, Dorothy brought her lemon to work, where it drew the oohs and aahs she expected.

But Dorothy had the last ahh . . . she took her prize lemon home after work, prepared to make three meringue pies.

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Linda Ryan
Editor

Published for employees of the Omaha Works.
For information write: Editor, *The Westerner*,
P.O. Box 37000, West Omaha Station, Omaha,
Nebraska 68137 or telephone 691-3553

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 **Western Electric**

service anniversaries

february

35 years

G. M. Jones	251	2/6
R. B. Morey	728	2/3
R. L. Nowacki Jr.	731	2/20

30 years

H. Endorf	253	2/18
M. D. Lesinski	282	2/26
E. E. Nelson	745	2/11
D. C. Scott	745	2/27
K. L. Sharpnack	726	2/12

25 years

D. C. Beccard	361	2/25
T. E. Bowman	401	2/1
W. J. Fitl	287	2/4
B. N. Harris	1231	2/18
M. H. Hartman	361	2/16
R. M. Hossle	361	2/5
M. T. Kelly Jr.	445	2/12
J. L. Matthews	741	2/11
W. J. NaPier	746	2/25
H. B. Purcell	251	2/11
J. J. Schweigart	282	2/4
H. Shelton	741	2/28
D. M. Tatreau	331	2/27
A. E. Volkmer Jr.	725	2/25
R. J. Was	361	2/7
D. C. Wichman	725	2/26

20 years

E. G. Baco	521	2/5
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E. P. Epperson	437	2/12
N. F. Golden	728	2/26
B. Y. Hindman	361	2/8
J. G. Mack	282	2/12
B. G. Maxwell	361	2/12
C. W. McGee	437	2/19
S. R. Osvath	251	2/19
R. E. Palmatier	725	2/26
J. B. Plevniak	725	2/19
F. P. Possinger	726	2/7
R. J. Skrok	444	2/26
E. P. Vessell	361	2/1
W. Vinson	282	2/12
F. M. Wolski	746	2/27

15 years

R. P. Bahr	744	2/22
C. L. Diggs	725	2/7
A. C. Shaddy	810	2/27
R. R. Wustrack	361	2/13

10 years

L. W. Alvarado	728	2/17
E. B. Davis	444	2/22
S. M. Kott	411	2/19
J. G. Nick	444	2/27
M. V. Pilus	435	2/5
J. B. Rentschler	444	2/22
M. M. Zymola	435	2/19

1982 WEOMA Club officers named

The 1982 officers of the Omaha Works WEOMA Club will be installed formally on March 5. The officers are Rol Kull, president (Dept. 445); John Sweeney, vice-president (Dept. 746); Kathy West, treasurer (Dept. 331) and Phyllis Keeven, assistant treasurer (Dept. 333).

Bob Pierson of Dept. 500-1 is executive vice-president and Charlotte Pfeffer of Dept. 500-1 is secretary.

In addition, three new directors have been appointed to serve three-year terms. They are Myrtle Wolf, tours and entertainment (Dept. 1231); Jim Kelly,

associated clubs (Dept. 435); and Kathy Fink, publicity, mitten tree and discount programs (Dept. 445).

Other directors who will continue to serve terms in 1982 are Al Anthone, outdoor sports (Dept. 746); Larry Anderson, indoor sports (Dept. 745); Bobbie Wilson, Bloodmobile, Operation Gift Lift (Dept. 722); Hank Wnuk, picnic, education and special projects (Dept. 745); Darlene Wilhelm, representatives (Dept. 287); and Betty Nath, women's activities (Dept. 435).

energy...

less is more

ELECTRICIAN Erv Andrews (left) of Dept. 746 and senior engineer Orv Olson of Dept. 731 inspect a variable DC drive motor on one of the cable shop sheathing lines. The 250-horsepower motor replaces an eddy current clutch and AC motor and will make far more efficient use of electrical power. Two of the new motors have been installed in the sheathing area, with two more scheduled for installation. The replacements will save the Omaha Works an estimated \$10,000 per year per motor in electricity costs. Erv maintains the electrical equipment in the sheathing line area. Orv worked with planning engineer Jim Osterchill of Dept. 273 to make the energy-saving changes on the lines.



What does future hold?

What will the future hold for Western Electric, particularly Omaha Works employees, now that a proposed settlement to the antitrust case against AT&T has been announced?

There's not a crystal ball in existence that can foretell the future exactly.

A historic change

What will probably be called the "1982 Consent Decree" is a 13-page document that is likely to bring about the most radical transformation of any business corporation in modern history.

That decree requires AT&T to divest itself within 18 months of the local telecommunications and exchange access functions now a part of the Bell System's operating companies. It allows six months for the submission of a plan that will be developed jointly by AT&T and an operating company planning group, that will detail how the Bell System will reorganize itself to accomplish this di-

Over the long term, should the proposed modifications to the 1956 Consent Decree be accepted (U.S. District Judge Harold H. Greene currently is presiding over hearings on the proposals), Western Electric will find itself in a highly competitive open market. That market could include more emphasis on selling overseas and the computer-telecommunications business.

In the short term, however, Omaha Works employees probably won't feel any positive direct impact as a result of the settlement. In an interview with the Omaha World Herald, general manager Bill Warwick cautioned that "Our plans largely depend on what happens to the economy. Business today is a little soft."

vestiture. The decree permits complete flexibility to reorganize the local access companies into "any particular number of entities."

While divesting the local exchange networks, AT&T will retain ownership of all customer premises equipment and all Bell System facilities used to provide "inter" exchange services. Long Lines would continue to plan and operate the

"I'm more optimistic now than I was six months ago." — Jeraldine Jones, Dept. 439.

nation's long distance network in conjunction with independent telephone companies and the divested local exchange companies. AT&T would continue to exercise its ownership of Bell

He doesn't think the Works will return to the record 7,500 people on roll in 1970, a period of unprecedented boom in the construction industry. However, he predicts relatively stable employment, adding, "I don't promise anybody there won't be layoffs, but I don't anticipate any large layoffs."

The general manager reaffirmed his commitment to meet each Works employee individually by the end of March. It's an important goal, he said, because the employees "are our most important resource."

On these pages are views of some Works employees regarding the proposed antitrust settlement, as well as a closer look at the new decree.

Laboratories and Western Electric.

The decree will result in a reconfiguration of the present Bell System operating companies into a new company or group of companies that will provide "exchange telecommunications and exchange access" services. This new company or group of companies will give the same local telephone service the present operating companies now provide to customers, but with three major changes.

The first major change relates to customer premises equipment and was already on the horizon before there was agreement on the (new) consent decree. The local access companies will not be permitted under the decree to offer customer premises equipment. This equipment will be retained by AT&T and includes everything ranging from standard telephones to sophisticated PBXs that, according to the language of the decree, is "employed on the premises of a person (other than a carrier) to originate, route, or terminate telecommunications, but does not include equipment used to multiplex, maintain, or terminate access lines."

The second major change is that AT&T will be limited only by its skill and resources in the lines of business it chooses to pursue. The decree, when approved by the courts, will replace "in its entirety" the 1956 Consent Decree.

If we could enter an open market, "it could be a big boon to us. I'm very optimistic." — Jack Sedlacek, Dept. 253.

That 25-year-old decree limited AT&T to providing communications services, the charges for which are subject to public regulation. It had been a bar to the Bell System's entry into other fields. In this regard, the 1956 decree had become an



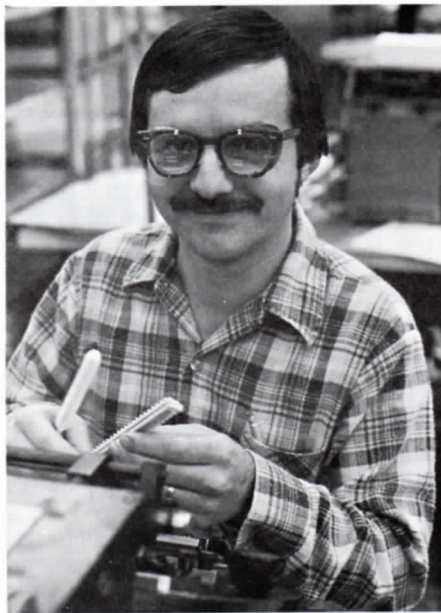
"In a sense (divestiture) is good." It's a chance to "enter an open market." — **Mary Jane Hendricks, Dept. 723.**



"It's a shot in the arm. It's going to take a while, but we'll bounce back." — **David Perry, Dept. 441.**



"The competition angle is kind of nice. I think it will stimulate a lot of minds on to bigger and better things — stimulate a fresh outlook." — **Terry Burdett, Dept. 1231.**



"We've got the best system in the world now. I believe AT&T should be allowed to get into other fields, but why must we get rid of what we have now in order to do that?" — **Dennis Fleming, Dept. 435.**



"I think we'll have the opportunity to bring in something new and better." — **Doris MacDonald, Dept. 723.**

impediment to the speedy introduction of advanced technologies and, as stated in the new accord, required modification in light of the "technological, economic and regulatory changes that have taken place over the last quarter century.

The third major change requires a markedly different relationship between those who provide access to exchange networks and those who link those exchanges. In the case of the Bell System,

access charge AT&T must pay for the same quality of connection. In this regard, the decree aims to resolve the long-running controversy between AT&T and its long distance competitors over who is paying too much or too little for local network access. The decree envisions **all** carriers will pay the **same** price for the same type of connections.

Because the local access companies will provide the electronic gateway from their customers to the carriers and, con-

versely, from the carriers to their customers, the local companies will have a central and dynamic role to play in the provision of telecommunications.

While the local access companies, under the accord, will be prohibited from crossing exchange boundaries, the definition of what constitutes an "exchange," as expressed in the decree, is one that is generally far broader than what is customarily considered to be an
(Continued on Page 7)

"I think it's a good sign that eventually will benefit Western Electric people." — **Mary Ann Cornell, Dept. 287.**

that relationship will change from owner to customer as AT&T becomes one of many long distance carriers who will have to turn to the local access companies to complete the calls or data transmission they carry. All long distance carriers, AT&T included, must be treated by the local access companies on "a tariffed basis that is equal in type, quality and price," according to the decree.

at this means is that carriers such as MCI, Inc., Southern Pacific Communications Corp., and other competitive carriers that have entered the long distance marketplace over the last few years will have the choice of connections to the local exchange networks that is equal to those provided AT&T. The quality of access that any of these carriers selects will depend on that carrier's willingness to pay the same



"It might be a plus to Western Electric as far as expanding our business, but I'm not sure (breaking up the system) is the best way" to assure fairness of competition. — **John Dinovo, Dept. 274.**



"I don't think we'll see the good effects of the decision immediately . . . but in the long run I think it's going to help the company and the employees." — **Mike Cochrane, Dept. 331.**

Terminal changes save \$2 million

The two new laser welders tucked away in an enclosed work area in Building 30 should feel right at home. After all, it was Western Electric who first developed the laser for industrial use.

The new laser welders are used in the manufacture of a newly designed type of binding post terminal used in FDI cabinets. A CO₂ laser welds a portion of each terminal, made from an alloy of copper, nickel and tin.

This particular application of the laser welder was developed by Lyndon Ensz, a planning engineer in Dept. 475, and an engineer from Bell Labs, Matt Grubelich. The idea which eventually led to development of the welder came from Dean Davis, now a planning engineer in Dept. 273.

Dean thought it possible to make our terminals entirely in-house, rather than buy them in blank forms from an outside supplier. An in-house system, however, would require that the terminal be re-designed. Before Dean could pursue his idea, he was transferred from Dept. 475 to Dept. 273, and Lyndon assumed the project.

What followed is a manufacturing operation projected to save the Omaha Works \$2.2 million a year. The methods

will replace the old 76 binding post terminal "coin and trim" operation which, when introduced about two years ago, saved the Works \$2 million yearly.

Lyndon, who had a hand in designing the coin and trim operation, said that terminals now are made entirely in-house, after which they are brought to the laser welding area of Dept. 441. There, the terminals are welded in the laser welder machines. Next, the terminals are assembled in newly designed molded blocks to go in Works-manufactured 40-type, B-cable and 80-type FDI cabinets.

An operator, a section chief and two engineers already have undergone training in using lasers, with more training scheduled for others who will be involved in the operation. Using laser welders to make binding post terminals is truly a unique application, Lyndon noted. No other Western Electric location has anything like it.

Compared to the coin and trim operation, which has required three operators, the laser welding process requires six operators (two shifts, three per shift). The substantial savings we'll see result from cost reductions built into the new terminal manufacturing process.

For example, a new block design eliminates the need to paint the terminals, which saves \$500,000 yearly. Also, using the new metal alloy eliminates a previous need to plate the terminals.

If Lyndon sounds pleased when he talks about the new operation, it's because he is. He also finds it rather



IS IT RIGHT? . . . Laser welder operator Harold Staub of Dept. 441 (left) and engineering associate Ed Stacey (Dept. 475) check the thread depth of a new terminal.

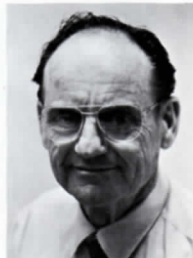
amusing that the process proved wrong an engineering theory that a CO₂ laser cannot weld a copper alloy. "We've really learned some things with this installation," he said.

There's one more interesting note

retirements



Barbara Mihelic
22 years



John Giachino
22 years



William Bartak
24 years



Vinona McGarrity
22 years



James Cahill
30 years



Garland Smith
21 years



Anthony Vacanti
24 years



Joseph Sinkule
25 years



Emily Sinkule
24 years



Carl Dunham
34 years



Virginia Holmquist
20 years



Marian Mihaly
22 years



FINER POINTS . . . At one of the laser welders, Lyndon Ensz (right) discusses mechanical procedures with operator Leo Sis of Dept. 441. Accuracy is essential for perfect welds of terminals.

Lyndon pointed out. The new laser weld terminal alone will make it possible to reduce the price of FDI cabinets and make them more attractive in a competitive market. He's betting that our customers will find that interesting, too.

More on new decree

(Continued from Page 5)
exchange. Under the terms of the decree, an exchange can include as much as an entire standard metropolitan statistical area (SMSA).

An SMSA is a geographic area defined by the U.S. Office of Management and Budget for the gathering and reporting of federal statistics. The general concept of this designation is one of a large population center, together with adjacent communities that have a high degree of economic and social integration with that center. Today there are 323 SMSAs in the United States; about 75 percent of the nation's population lives in a designated SMSA. The Los Angeles-Long Beach SMSA, as an example, has 7.4 million people within it. More than 2.7 million people reside in the Boston SMSA.

As provided for in the decree, a local "exchange" can include an entire SMSA even when that area "transcends municipal or other local governmental boundaries." An exchange cannot, however, include parts of areas located in other states without approval of the court.

As an exchange service, the local companies will provide carrier access codes that their customers will use to direct their long distance calls to whichever carrier they choose. Conversely, the local companies would be required to provide the carrier who transmits the

call whatever information is needed to bill the customer.

In general, the local companies would provide exchange telecommunications service. The local companies would be allowed to offer the facilities needed to transmit information services, but they themselves would be precluded from providing such services. In the decree, information services is defined as "the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing or making available information which may be conveyed via telecommunications."

"It will let us into the computer market. That's where the money is. I think it's a good deal." —Gene (Tiny) Kritenbrink, Dept. 723.

A particularly important provision of the decree is the allowance it makes for the sharing "through leasing or otherwise" of facilities that are used in common between the future AT&T and the local access companies. For example, many switching machines presently handle both local and long
(Continued on Page 8)



Nelson Cook
25 years



Esther Thomas
23 years

Not pictured:

Wayne Hollingsworth
23 years

N. J. (Curly) Kaminski
45 years

Donna Beardsley
21 years

Elsie Peterson
20 years

Ardith Machal
21 years

Lillian Rozmus
25 years

Mike Saner
23 years

Jerry Vanstratten
23 years

Earl Malone
23 years



Walter Mueller
22 years



Eileen Lee
20 years



Henry Konichek
23 years

Closer look at the new decree

(Continued from Page 7)
distance calls. Since such hardware cannot be "split," the decree provides that the local company could lease a part of such "multifunction facilities" from AT&T as long as the local company "is ensured control over the exchange telecommunications and exchange access functions." This lease or charge-back provision could be extended to such activities as operator services and long distance calling.

The divestiture of the local companies would take place, as specified in the decree, via a "spin-off" of stock . . . or by other disposition." Once divestiture is completed, AT&T shareowners would continue to own the same asset value

now represented by their shares. That investment, however, would be divided between stock in AT&T and proportionate values in the local exchange companies. This means, in effect, that the divested portions of the operating companies will not be "sold" and those shareowners who own the Bell System's assets before divestiture will continue to own those same assets after divestiture.

Not affected by the decree are the regulatory powers of the Federal Communications Commission or those of the states. The FCC would still have full regulatory oversight of interstate long distance services, including the setting of rates.

Holiday/vacation schedule, 1982

- Jan. 1 — New Year's Day
- April 9 — Good Friday
- May 31 — Memorial Day
- July 5 — Independence Day
- Sept. 6 — Labor Day
- Nov. 25, 26 — Thanksgiving
- Dec. 20, 21, 22, 23 — Standard vacation days*
- Dec. 24 — Christmas Eve holiday
- Dec. 27 — Christmas Day
- Dec. 28 — Floating holiday
- Dec. 29 — Standard vacation day*
- Dec. 30 — Management personal day (MPD) or excused workday (EWD)
- Dec. 31 — 1983 New Year's Day

*The standard vacation periods for 1982 consist of five days: Dec. 20 through 23 and Dec. 29. Dec. 30 is a company-designated MPD or EWD. Personal days off without pay or remaining management personal days or excused workdays may not be substituted for standard vacation days. The balance of an employee's vacation eligibility shall be scheduled with the approval of one's supervisor and consistent with the needs of the business.



Mary Ann Cornell



Jack Sedlacek



Jeraldine Jones



Gene Kritenbrink

